

DEPARTMENT OF SOCIAL SERVICES

744 P Street, MS 9-74 Sacramento, CA 95814



January 31, 2006

FOSTER CARE AUDITS AND RATES LETTER (FCARL) NO. 2006-03

**TO: ALL GROUP HOME (GH) REGIONAL CENTER PROVIDERS
ALL FOSTER FAMILY AGENCY (FFA) REGIONAL CENTER PROVIDERS**

**SUBJECT: BIENNIAL GROUP HOME AND FOSTER FAMILY AGENCY RATE
REQUIREMENTS - AID TO FAMILIES WITH DEPENDENT CHILDREN-
FOSTER CARE (AFDC-FC) PROGRAM**

IMPORTANT

FOR THE PURPOSES OF IMPLEMENTATION, THIS FCARL IS BEING SENT AGAIN TO ALL REGIONAL CENTER PROVIDERS TO NOTIFY YOU OF THE REQUIREMENTS FOR SUBMISSION OF THIS YEAR'S REGIONAL CENTER PROVIDER'S GH AND/OR FFA RATE APPLICATION/REQUEST. IN THE FUTURE, ONLY THOSE REGIONAL CENTER PROVIDERS WHO ARE REQUIRED TO SUBMIT AN APPLICATION WILL BE NOTIFIED OF THE APPLICATION DUE DATE. PLEASE NOTE: IF YOU SUBMITTED AN APPLICATION IN DECEMBER 2005, THIS LETTER DOES NOT APPLY TO YOU.

Please read this entire letter so that you will be aware of the changes to the requirements and rate application/request forms prior to completing your rate application/request.

BIENNIAL REGULATIONS NOW EFFECTIVE

The California Department of Social Services (CDSS) adopted emergency regulations for biennial group home rate application/foster family agency rate request requirements effective August 1, 2005, Manual of Policies and Procedures (MPP) Division 11-402.3 and 11-403. The emergency regulations amended the existing policies and procedures to the annual rates system and implemented a biennial system as required by statute. These regulations revised the rate application/request due date and rate effective date, revised the due dates related to "good cause" extensions, revised the penalty provisions for late and incomplete application/requests, and added definitions necessary for clarity. These regulations were adopted as received by the California Secretary of State on January 12, 2006, and as such are considered final.

In accordance with these regulations the CDSS has developed the following rate

application/request schedule to implement the biennial submission requirement.

NEW RATE APPLICATION/REQUEST SUBMISSION SCHEDULE

The CDSS has developed a new rate application/request submission schedule that is based on the non-profit corporation's fiscal year closing date combined with the provider's program number. The MPP defines fiscal year as "any consecutive 12-month period adopted as the annual accounting period." The CDSS has reviewed each program to determine the provider's fiscal year and the program's assigned program number (first four digits of the number). All programs have been divided into odd and even program numbers to link application/request submission with the actual calendar year. Furthermore, provider fiscal year data has been utilized to permit multiple filings throughout a calendar year with providers with similar fiscal years submitting at the same time. Under this new schedule, regional center group home and foster family agency providers will submit their rate application/request according to the chart below.

| Calendar Year | Provider's Program No. | Corporation's Fiscal Year Closing Date | Biennial Application/request Rate Submission Due Date | Program Number Effective Date* |
|---------------|---------------------------------|--|---|--------------------------------|
| 2005 | Odd number (Ex. 2005-01-01) | 7/1/05 through 12/31/05 | April 1, 2006 | June 1, 2006 |
| 2006 | Even number (Ex. 2006-01-01) | 1/1/06 through 6/30/06 | September 1, 2006 | Nov. 1, 2006 |
| 2006 | Even number (Ex. 2006-01-01) | 7/1/06 through 12/31/06 | April 1, 2007 | June 1, 2007 |

* The program number effective date is based upon receipt of a complete rate application/request package. The program number is effective on the first day of the second full month following the rate application/request due date.

REGIONAL CENTER PROVIDERS REQUIRED TO SUBMIT A RATE APPLICATION/REQUEST ON APRIL 1, 2006

All regional center group homes and foster family agencies with odd program numbers and whose fiscal year closed between 7/1/05 through 12/31/05 are required to submit a rate application/request. The due date of the rate application/request is April 1, 2006. The CDSS has compiled a list of those providers whom we have identified as meeting this criteria (PLEASE SEE ENCLOSED LIST OF PROVIDERS.) However, just in case some providers may have recently changed their fiscal year, if a provider meets the criteria above you will still be required to submit a rate application/request even though you are not on the attached submission list. Please notify your rates analyst if you are not on the list but have changed your corporations fiscal year such that your application

is due April, 1, 2006.

Please note: If we receive an application/request from a provider who is not required to submit an application/request we will not process the application/request and we will shred all documents to protect confidentiality.

COMPLETE APPLICATION/REQUEST

A complete application/request must be submitted for each regional center GH and/or FFA program in operation. A complete application/request is one that contains all the required documents necessary to establish a program number. Forms have changed to reflect submission of information for a biennial reporting period. This means that data is required for the corporation's prior two fiscal years. Please refer to the regulations and the instructions on the reverse side of each form when preparing the application/request. The instructions will assist you in completing the application/request package correctly.

Commencing immediately, the documents listed below are required for a complete regional center GH and/or FFA program application/request.

1. For a **GH regional center**, a "Group Home Program Rate Application" (SR 1).

For an **FFA regional center**, a "Foster Family Agency-Data and Certification Sheet" (FCR 1FFA).

(These forms must be completed appropriately, including the "Certification" section, and must contain an original signature.)

2. For a **GH regional center**, a copy of the Group Home Administrator Certificate issued by Community Care Licensing (CCL) for the program's administrator.
3. For a **GH regional center**, a Self-Dealing Transaction Declaration (FCR16) signed by the GH's Board of Directors that during the biennial rate period the organization will not incur shelter costs resulting from a self-dealing transaction as defined in California Corporations Code Section 5233.

For all regional center providers:

4. A copy of the current license issued by CCL for each facility or program, including sub-office licenses, whichever is applicable.
5. A copy of the most recent regional center rate and vendorization or contractual agreement letter(s).

6. The organization's tax exempt status letter from either the Internal Revenue Service (IRS) or the California Franchise Tax Board (CFTB) designating the organization as tax exempt; if any changes have occurred since submission of the last tax exempt status letter.
7. An endorsed copy of the agency's Articles of Incorporation filed with the California Secretary of State (SOS), if any changes have occurred since submission of the last Articles of Incorporation, demonstrating the organization:
 - Operates in the public interest for scientific, education, service or charitable purposes;
 - is not organized for profit making purposes; and
 - Uses its net proceeds to maintain, improve or expand its operations.
8. A declaration signed by the non-profit corporation's Board of Directors that the non-profit corporation will operate during the biennial rate period in the public interest for scientific, education, service or charitable purposes; is not organized for profit-making purposes; and, uses its net proceeds to maintain, improve or expand its operations.

Please note: A regional center group home or foster family agency provider is to immediately notify the Department if the agency ceases to operate on a nonprofit basis, becomes inactive, suspended, or otherwise is not in good standing with the California SOS.
9. A complete listing of the corporation's Board of Directors to include full names, titles, mailing addresses and phone numbers.

Regional Center providers with internet access can obtain the SR and FCR FFA forms online at the following address: www.dss.cahwnet.gov/cdssweb/on-lineFor_271.htm. Providers without internet access can obtain a copy of the forms by contacting the FCRB. If using forms other than those available via the internet, please ensure you are using the most current form revision (see MPP Section 11-406).

GOOD CAUSE REQUESTS

A provider who is unable to submit a complete application/request by the due date (indicated on the chart on page 2) because of circumstances beyond the provider's control may submit a "good cause" request to extend the due date. Typical circumstances that constitute good cause include, but are not limited to, natural disasters and emergency medical situations [MPP 11-400g(1)].

The procedures for submitting a good cause request are contained in MPP

Section 11-402.371 for group homes and MPP Section 11-403(l)(1) for foster family agencies. **A good cause request must be submitted by a provider to the FCRB separately from the application/request and must be postmarked no later than five calendar days following the application/request due date.**

The good cause request must contain a clear statement requesting good cause and include the specific reasons(s) for submitting an incomplete or untimely application/request. The written request for good cause should also include the name, location, and program number of the affected program; the name, address and telephone number of the provider; and, the name, address and telephone number of the contact person. Please be aware that when the Department approves a request for good cause, a complete application/request is due within 30 days of the postmark of the Department's approval notification or 30 days after the original application/request due date, whichever is later.

Please also be aware that good cause requests should not be submitted and/or signed by a certified public accountant (CPA), state-licensed public accountant (PA) or consultant as it is the provider's responsibility to manage the operation of the program, be aware of all business transactions impacting the program, and to make good cause requests on behalf of the program.

TIMELINES AND PENALTIES

As previously stated, a complete regional center GH or FFA application/request must be postmarked on or before the due date (**indicated on the chart on page 2**) to be considered timely. An application/request that is postmarked after this date or remains incomplete after the due date will result in termination of your program number. Once a program number is terminated, a new program number can only be obtained by submitting a new, complete application/request.

If a private consultant or CPA completes and/or mails an application/request on behalf of a provider, responsibility for the content of the documents filed and the date of filing remains with the provider. A private consultant's/CPA's failure to submit a timely application/request will not excuse untimely submission of a complete application/request and may result in a penalty.

A complete copy of the regulations is online at the following websites:

<http://www.dss.cahwnet.gov/getinfo/pdf/fcmanb.pdf>
<http://www.dss.cahwnet.gov/getinfo/pdf/fcmanc.pdf>

A complete application/request should be mailed to:

**California Department of Social Services
Foster Care Audits and Rates Branch
Foster Care Rates Bureau
744 P Street, M.S. 9-74
Sacramento, CA 95814**

If you have any questions about the application/request process or forms, please contact your Foster Care Rates Consultant at (916) 651-9152.

Sincerely,

GLENN FREITAS, Chief
Foster Care Audits and Rates Branch

Enclosure

REGIONAL CENTER GH & FFA PROVIDERS REQUIRED TO SUBMIT RATE APPLICATION REQUEST BY
APRIL 1, 2006 - REVISED

REGIONAL CENTER GROUP HOMES

| | |
|------|---|
| 1871 | ANGEL OF MERCY HOME |
| 1967 | CALIFORNIA AUTISM FDTN/A BETTER CHANCE |
| 2067 | CYPRESS GROUP HOME/CARE HOME |
| 0805 | DEVELOPMENTAL SVCS. CONTINUUM-BUENA VLY |
| 2163 | M & S GROUP HOME DBA MCCRAY EAST SIERRA |
| 2095 | MH&O FAMILY HOME, INC./REG CTR |
| 2053 | REDEEMER HOME |
| 2009 | SERENITY GROUP HOMES |

REGIONAL CENTER FFAs

| | |
|------|--|
| 0007 | ALTERNATIVE FAMILY SERVICES |
| 1679 | CALIFORNIA INSTITUTE OF HEALTH & SOCIAL SERVICES |
| 2001 | FAMILIES FOR CHILDREN |
| 1427 | INNER CIRCLE FOSTER FAMILY AGCY |
| 0115 | MOSS BEACH HOMES, INC. |
| 1611 | MULTICULTURAL SERVICE CENTER |
| 0491 | THESSALONIKA FAMILY SERVICES |
| 0309 | WALDEN ENVIRONMENT, INC. |

PLEASE NOTE: IF YOUR PROGRAM NUMBER ENDS IN AN ODD NUMBER AND YOUR FISCAL YEAR'S CLOSING DATE IS BETWEEN 07/01/05-12/31/05 AND YOUR REGIONAL CENTER GROUP HOME AND/OR FFA DOES NOT APPEAR ON THIS LIST, YOU ARE STILL REQUIRED TO SUBMIT A RATE APPLICATION/REQUEST BY 04/01/06.